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# PLANNING GRANT FACT SHEET

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Virginia's Community Development Block Grant (CDBG) Planning Grant program is designed to aid in developing clearly articulated strategies for addressing communities' greatest community development needs following meaningful citizen participation. Planning Grant Funding totaling \$1,000,000 is available on an open basis from January 6, 2020 until September 30, 2020; or until all of the funding is committed, whichever comes first.

## **Submission Requirements**

A locality interested in obtaining Planning Grant assistance must submit a completed Application through the Virginia Department of Housing and Community Development's (DHCD) Centralized Application and Management System (CAMS), available here: <https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>.

Applications are due on the 15<sup>th</sup> of each month. Upon the successful review by DHCD of the pre-application, if no additional information is required, Initial Activities must be completed within 120 days of the DHCD correspondence in order for Planning Grants Funds to be awarded. Upon completion of the Initial Activities, the locality will upload the documentation as an attachment in their original application and resubmit.

Although there is no requirement for local match, Planning Grants may or may not cover the full cost of all planning activities for future projects. Localities should expect to contribute resources to the planning process in order to develop a successful project.

## ***Categories***

There are two (2) categories of Planning Grants.

1. Pre-Project Planning Grants
2. Project Planning Grants

## **PRE-PROJECT PLANNING GRANTS**

### **Community Organizing Planning Grants**

Community Organizing Planning Grants of up to \$10,000 are available for activation and organization of community residents to develop strategies for future social and physical improvements. Eligible activities include:

- Conducting assessments of community strengths, weaknesses, opportunities, and threats,
- Establishing goals and objectives, and
- Developing work plans and implementation strategies.

Citizen participation is the central purpose of these Planning Grants and should result in an organized, informed community which has reached consensus on a practical vision of the future and has the capacity and options available for future community improvement. The locality's highest community development needs should be prioritized after gathering input from citizens

and other stakeholders. In addition to ranking these needs, the options available to address these needs should be evaluated.

The capacity of the locality to undertake project planning efforts should be evaluated in a Community Organizing Planning Grant. This evaluation should consider the following areas:

- Leadership,
- Technical skills,
- Available staff time,
- Management and fiscal systems,
- Consultants needed,
- Partnerships needed, and
- Additional funds and other resources needed for project planning and future implementation.

Of the \$1,000,000 available for Planning Grants, no more than \$60,000 will be targeted for Community Organizing Planning Grants. This amount is a maximum, not a reservation of funds.

### **Community Needs Assessment/Economic Assessment Planning Grants**

Community or Economic Assessment Planning Grants of up to \$15,000 are available for a locality to conduct a single objective needs analysis or to prioritize community or economic conditions for future direction.

One example of this category is a locality-wide assessment of housing conditions used to prioritize the selection of future project areas. Completion of an Opportunity Zone prospectus is also an eligible activity.

A Community Improvement Grant application is not required following all Needs / Economic Assessment Planning Grant; however, it is expected that the assessment will lead to at least one Project Planning Grant.

## **PROJECT PLANNING GRANTS**

Eligible activities of Project Planning Grants include:

- Community assessments, needs analyses, and need prioritization,
- Activation and organization of target area residents and stakeholders,
- Surveys of residents, users, customers, and potential beneficiaries,
- Obtaining easements and user agreements,
- Development of cost estimates and Preliminary Engineering Reports (PERs), and
- Completion of market studies.

### **CDBG Project Planning Grants**

CDBG Project Planning Grants of up to \$35,000 (\$45,000 for Comprehensive Community Development) are available for needs analysis and prioritization, preliminary design, and strategy development activities in preparation for a future Community Improvement Grant Application. DHCD reserves the option of awarding additional Planning Grant Funding in excess of this limit for projects which are particularly innovative, challenging, or costly.

All Project Planning Grant Activities must be conducted with maximum participation of residents, potential beneficiaries, stakeholders, and local leaders. At a minimum, this participation must be carried out in accordance with the Virginia Community Development Block Grant Citizen Participation Plan for Local Government Applicants which is included as **APPENDIX B** of the 2020 CDBG Program Design.

All Project Planning Grant recipients must submit complete Community Improvement Grant Applications following completion of all planning activities unless otherwise negotiated with DHCD.

#### *Types of Project Planning Grants*

- **Housing Rehabilitation**
- **Comprehensive Community Development (CCD)**
- **Community Service Facility (CSF)**
- **Business District Revitalization (BDR)**
- **Telecommunication/Broadband**

#### **Business District Revitalization Planning Grants**

Business District Revitalization (BDR) Planning Grants are intended to assist appropriate localities in undertaking activities that are designed to identify opportunities to improve the economic and physical conditions within the community. Up to a maximum of \$35,000 will be available for each Business District Revitalization Planning Grant.

The development of an ***Economic Restructuring Plan*** will identify the means by which the locality can implement Economic Improvement Strategies that will help ensure the long-term sustainability of the community, particularly the Downtown Business District.

Applicants must provide:

- An explanation of why Business District Revitalization is the highest community development need,
- Detail on other community development efforts that have been completed,
- A housing analysis to determine if there is a sufficient level of physical and/or economic blight present (At a minimum, target project areas must exhibit at least a 25 percent level of physical blight or at least a 50 percent vacancy rate).

A locality is required to become a Main Street affiliate if not already one.

Specific guidance on completing a Downtown Market Analysis is available in the Center for Community and Economic Development's Downtown Market Analysis page online at: <http://fyi.uwex.edu/downtown-market-analysis/>

Funding related to physical design will be the last approved activity, based on satisfactory completion of all other Planning Grant activities.

#### **Telecommunications Planning Grants**

Telecommunication planning grants are available for future system development and support or implementation efforts. Funds may be utilized to:

- Assist in promoting awareness of potential CDBG eligible activities and gauging stakeholder interest,
- Creating a management team of potential user groups to oversee the creation of a Telecommunications Plan,
- Conduct surveying efforts to document the eligibility of future telecommunication planning and implementation efforts for CDBG funding,
- Conduct informational and training programs, and
- Identify and procure professional assistance as necessary.

In order to access CDBG funds for telecommunication implementation, a locality must have completed a community-based telecommunications plan.

Up to \$40,000 per project is available for Telecommunications Planning Grants. DHCD's experience is that the maximum available amount for Telecommunications Planning Grants is not sufficient to complete the activities required to create a Community Telecommunications Study. Applicants are expected to show if additional funding is available and committed to the project prior to receiving a Planning Grant offer.

### **Regional Project Planning Grants**

Project Planning Grants of up to \$50,000 are available for a *regional effort* of more than one locality for needs analysis and strategy development. Eligible activities include:

- Community assessments, needs analyses, and need prioritization,
- Activation and organization of target area residents and stakeholders,
- Surveys of residents, users, customers, and potential beneficiaries,
- Obtaining easements and user agreements,
- Development of cost estimates and Preliminary Engineering Reports (PERs), and
- Completion of market studies.

## **Proposal Evaluation**

### ***Is there a clear indication of community development needs?***

Proposals must demonstrate some local knowledge of the scope and scale of the community development needs in the proposed project area. Certainly, the Planning Grant investment is provided to fully assess the scope and scale of such needs, but there has to be some evidence that funding will be properly applied in a particular area because there is some good knowledge that needs exist. There must be evidence that the needs are known among potential beneficiaries and local officials.

### ***Are there potential benefits?***

The needs identified must generally be eligible targets for future CDBG investments. One test of eligibility is whether the need can be addressed under at least one of the three CDBG national objectives, particularly of benefit to low to moderate income (LMI) persons. Another test is whether the need can be addressed through a CDBG funding option, including Competitive Grants, the Community Development Innovation Fund, and the Community Economic Development Fund. There must also be evidence of participation by potential beneficiaries to the extent that needs and demand can be fully assessed.

### ***Is there adequate local readiness?***

There must be evidence that local officials and stakeholders alike are committed to fully identifying and addressing local needs. A management team must exist which is comprised of stakeholders and local officials. This team must agree to meet regularly to actively address issues that arise during the planning process. The locality must show a willingness to remove any barriers to addressing the identified needs, particularly those which are controlled locally. The locality must also commit financial resources to fill gaps not covered by Planning Grant assistance.

### ***Is there adequate local capacity?***

There must be evidence that the locality and management team have the time, funding, and expertise to follow through with the planning process. If local expertise is lacking, the locality must procure professional assistance. If funding is lacking, the locality must identify other sources of funding. Time cannot be lacking.

### ***Is there a need for Planning Grant funding?***

For localities which have participated extensively in the CDBG program, Planning Grant assistance should be targeted for projects which are innovative and/or unlike anything the locality has undertaken before or for components of typical projects which the locality cannot undertake with its own resources. For localities which have not participated extensively in the CDBG program, Planning Grant assistance can be targeted to a range of costs associated with obtaining community input and contracting for professional assistance. It is the locality's responsibility to adequately state its case for Planning Grant funding in its proposal.

## **Contract Limit**

Applicants must complete the initial activities of a planning grant to be under contract by August 1, 2020 in order to ensure a schedule that will prepare them for a March application date. While DHCD will work with planning grant applicants who do not meet this target date, staff are not in a position to accelerate the timeframe of the planning grant process to meet the application deadline.

### **SUBMISSION**

Please note that planning grant applications are accepted electronically through the Agency's Centralized Application and Management System (CAMS). To access CAMS, visit the website at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov) and click on the CAMS icon in the upper-right hand corner. You may then create a locality profile, add staff members, and access the CDBG Planning Grant program using the APPLY button.

## **APPLICATION QUESTIONS**

A locality interested in obtaining Planning Grant assistance must submit a formal application providing a brief description of the project area and the community development needs in this area, a discussion of the locality's and the project area's readiness and capacity to proceed with a participatory planning process, and some justification for why Planning Grant Funding is needed. DHCD will review this application and provide the applicant locality with a response which outlines activities which must be accomplished prior to Planning Grant Investment.

DHCD will generally respond in writing within 30 calendar days and will generally authorize up to 10% in pre-planning expenses.

**Below is a list of the questions asked of Planning Grant applicants through CAMS.**

### **NEEDS AND OPPORTUNITIES**

1. Describe the needs and opportunities that the locality intends to address with CDBG Planning Grant Funding. How does the locality know about this need? Include as much detail as is currently known (prior to examining this need further using Planning Grant Funding).
2. Is there a lack of or gap in the availability of one or more basic community attributes or services found in comparable communities? Does the missing attribute or service directly affect low- and moderate-income persons? Does the missing attribute relate to blighting conditions?
3. Is there a certain condition in place that if addressed, will provide an opportunity for growth, revitalization, or economic restructuring?

### **TIMELINESS**

4. Describe why these needs must be addressed now.
5. Has an unforeseen action occurred that threatens the health or safety of the community? Has an opportunity arisen which the community can use to its advantage? Have potential beneficiaries been mobilized or otherwise communicated their intentions to address community needs? Has the community developed a strategic or action plan that includes project priorities and is the community ready to address the highest priority item?

### **READINESS**

6. Describe how ready the community residents and local government are to complete planning and implement a project to meet the perceived needs. What steps have been taken to get the community and local government ready to proceed?
7. What evidence is there that both the community and local government have the energy and will to make progress on this project? Is the local government supportive of the project? Is there

community support and consensus regarding the perceived needs? Have real community sparkplugs been identified?

8. Include status of other planning grant application(s) and state whether or not your ability to complete the CDBG planning grant is contingent on receiving funds from other sources. Please provide a list of other organizations or agencies that you have submitted planning grant applications. Provide a copy of the award letter(s) for funding commitment(s) and date of funding availability.

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